Dg Daily Gold Update 2013

Rand Refinery (Pty) Ltd, Refinery Road, Industries West, Germiston, 1401, South Africa
P.O. Box 565, Germiston, 1400, South Africa, Tel: +27 (0) 11 418 9000
Fax: +27 (0) 11 418 9231 www.randrefinery.com Email: gold@gold.co.za

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Gold	Today	Change	Week Ago	Month Ago	Year Ago
	$1,167.40	+$0.50	$1158.80	$1,207.00	$1346.00

Gold prices surged higher in electronic trading after the release of the latest Federal Open Market Committee (FOMC) statement on Wednesday. April gold closed up $21.70 an ounce at $1,169.20 an ounce and spot gold ended the day at $1166.90 per ounce.

The price of the yellow metal was boosted following the FOMC statement that removed the word “patient” regarding when to decide to raise interest rates. However, the statement also pointed out some weaker U.S. economic data recently, which the market place deemed as suggesting the Fed may not be able to raise interest rates as soon as it would have liked.

“Just because we removed the word patient from the statement doesn’t mean we are going to be impatient,” Chair Janet Yellen said in a press conference Wednesday in Washington.

The Federal Open Market Committee said it will be appropriate to tighten “when it has seen further improvement in the labour market and is reasonably confident that inflation will move back to its 2% objective over the medium term.”

“An increase in the target range for the federal funds rate remains unlikely at the April” meeting, it said in its statement.

Sweden's central bank has cut its key interest rate to a record low of minus 0.25%.
The Riksbank lowered the repo rate by 0.15% points, claiming there are signs inflation "is beginning to rise, but the recent appreciation of the krona risks breaking this trend." A higher currency can weigh on inflation by making imports cheaper.

The bank said the measures and "the readiness to do more at short notice" clearly indicate that the Riksbank was determined to keep inflation anchored.

The Riksbank also said it had bought government bonds worth for 30 billion kronor ($3.5 billion) to support the upturn in inflation.

The rate change takes effect 25 March.

About the author: David Levenstein is an independent precious metals market commentator with more than 30 years experience.